

TERMS AND CONDITIONS OF CIBANK FOR GRANTING TO INDIVIDUALS A CREDIT LIMIT ON A REVOLVING CREDIT CARD

GENERAL PROVISIONS

1. These terms and conditions define the procedure under which CIBANK JSC (the Bank) provides individuals (Borrowers) with a credit limit on a revolving credit card (Card).

PURPOSES SUBJECT TO FINANCING/COLLATERAL

2. The card is provided to individuals to finance their current needs.

3. Depending on the type of collateral, the Bank grants:

3.1. A credit limit on a Card without collateralization;

3.2. A credit limit on a Card, secured with a pledge on future receivables originating from a labor contract of the Borrower;

3.3. A credit limit on a card, secured with a pledge on a financial asset (deposit), owned by the Borrower or a third party - individual.

4. As additional collateral, the Bank requires a pledge on cash in the Borrower's existing accounts at CIBANK and in his/her accounts, which will be opened at the Bank.

REQUIREMENTS FOR THE BORROWER

5. The Borrower shall meet the following conditions:

- The Borrower must be a legally capable adult, residing permanently in Bulgaria, who meets the age limits, prescribed for the particular credit product;
- The Borrower has a current account at the Bank;
- The Borrower does not have outstanding state and/or municipal debts;
- If the Borrower has any loans granted by the Bank and/or other financial institutions, these must be classified in the "regular exposures" group as to the date on which the loan application is lodged.

6. When the Bank grants a credit limit on a Card, which is not secured or is secured with a pledge on future receivables, the Borrower is required to have permanent monthly (social security/verified) income, to an amount acceptable for the Bank, originating from:

- a labor/civil servant contract/appointment order/management and control contract, with an employment history of at least 6 (six) months at the Borrower's place of work as to the date of the loan application. The Borrower is not in a trial period or in a period of termination of his/her labor/civil servant contract, is not on a temporary or seasonal job placement and has received regularly his/her labor/civil service remuneration.

- a civil contract or from freelance practice, as a sole trader, exercising activity for at least one year before the submission of the loan application (there must be a closed tax period too);

- a pension;

PROVISION OF PRE-CONTRACTUAL INFORMATION

7. Before the client has been bound by a proposal or by the conclusion of a contract for provision of a credit limit on a revolving international credit card, the Bank provides the client with free-of-charge pre-contractual information depending on the client's preferences and based on the conditions offered by the Bank for the respective credit products.

AMOUNT, PERIOD AND CURRENCY OF THE LOAN

8. The amount and repayment term of the credit limit on the Card are determined depending on the credit capacity of the Borrower or the sufficiency of the offered collateral. The credit limit on the Card is granted only in BGN.

ANNUAL PERCENTAGE RATE

9. The Annual Percentage Rate (APR) of a revolving credit card shall be calculated using a formula specified in the Law on Consumer Loan which reflects the total expenses on the loan for the Borrower - current or future (interest, fees, commissions, etc.). The APR shall be determined according to the specific loan amount and term.

USE OF THE CREDIT LIMIT ON THE CARD

10. The credit limit on the card is utilized/used via the bank card of CIBANK after the establishment of the collateral provided under the loan contract (if any) and payment of the relevant fees (if any).

11. Within the agreed period of use, the granted credit limit on the Card can be used in full or in tranches, including with revolving.

INTEREST, FEES AND COMMISSIONS

12. The credit limit on the Card bears interest at a fixed annual interest rate, specified in the loan contract.

13. No interest is payable on the credit limit, starting from the first day of the reporting period until the 15th day of the following month (Grace Period). On the 15th day of each month, following the reporting month, the Bank makes a repayment of the liabilities on the credit limit utilized within the reporting period. As of the 16th day, the remaining non-repaid credit limit for the reporting month starts bearing interest at the agreed interest rate. When charging interest, it is considered that the year has 365 days.

14. The Borrower pays to the Bank within the given deadlines the relevant fees and commissions, related to the Card and specified in the loan contract and the Bank's Tariff. If there are no funds in the Borrower's account at the moment those are due, the Bank can collect automatically the payable fees and commissions from the amount of the approved credit limit (if there is any non-utilized limit).

15. Fees and commissions for the Card, incl. for banking operations performed with the card, as well as the fees and commissions for the related servicing account, are specified in the Bank's Tariff.

LOAN REPAYMENT

16. The deadline for repayment of the credit limit is specified in the loan contract.

17. By the 15th day of the month, following the reporting one, the Borrower should provide on an account, servicing the credit limit, an amount not lower than the amount of the minimum repayment installment (MRI). On the 15th day of the month, following the reporting one, the Bank makes repayment of the liabilities on the credit limit utilized within the reporting month. If the amount available on the account servicing the credit limit is lower than the amount of the payable MRI, the Bank books the difference between the amount available and the MRI as overdue principal, which starts to bear interest at the interest rate for an overdue debt, equal to the interest on a regular debt and a compensation for delay, amounting to the statutory interest.

18. The Bank books as MRIs all repayments on the utilized credit limit for the period from the 1st to the 15th day of the month, following the reporting one. An installment made outside this period is not booked as an MRI.

19. The MRI is determined in the following way: 3.5% (three point five percent) of the credit limit utilized in the reporting month, plus the accrued interest for the period, but not less than BGN 50 (fifty), as well as the overdue interest and principal. When the total amount of the limit utilized in the reporting month, plus the interest accrued during the same period and the amounts of overdue interest and principal (if any), is less than the defined MRI, the Borrower owes a MRI equal to the amount of the limit utilized within the reporting month, plus the interest accrued during this period and the amounts of overdue interest and principal (if any).

RIGHT TO WITHDRAWAL FROM THE CONTRACT

20. The Borrower is entitled, without owing any compensation or penalty and without giving any reason, to withdraw from a concluded contract for provision of a credit limit on a Card within 14 (fourteen) days from the signing date of the contract. In order to exercise his/her right to withdrawal, the Borrower must:

- Inform in writing the Bank of his/her wish to withdraw from the contract before the expiry of the specified deadline. The notification must contain the full name, Personal No and telephone number of the Borrower, and must be submitted at the Bank's office/branch where the contract has been signed or must be mailed by a registered letter or a letter with a delivery receipt to the address of the Bank's office/branch where the contract has been signed;
- Repay to the Bank the amounts utilized under the credit limit, together with the interest accrued on a daily basis during the period from the date of the first utilization of funds from the credit limit until the date of its full repayment, without any undue delay and in any case not later than 30 /thirty/ calendar days of sending the notification to the Bank;
- The withdrawal made by the Borrower takes effect and, correspondingly the loan contract is terminated, only in case the conditions have been fulfilled and the specified deadlines have been observed. Otherwise the contract is not deemed terminated.

21. If the Borrower withdraws from a loan contract, the Bank is not obliged to refund the fees and commissions collected thus far.

ADDITIONAL PROVISIONS

22. In case of any differences between the provisions of these Terms and Conditions and the Contract for Provision of a Credit Limit on a Revolving International Credit Card and /or a Contract/s for Establishment of Pledges on collateral, the provisions of the respective contract shall apply.

23. In case of any differences between the provisions of these Terms and Conditions and the mandatory legal framework, the provisions of the existing Law on Consumer Loan shall apply.

24. The Bank reserves its right to update these Terms and Conditions, and in case of any amendments hereto, it will inform in due course its clients of the changes and the most recent update by displaying such information in the Bank's halls and by its e-channels.

These Terms and Conditions have been adopted on the grounds of Art. 59 of the Law on Credit Institutions with a decision of the Management Board of CIBANK under Minutes No 29/07.07.2014 and they are applicable to loans offered as of 14.07.2014.